

386.4422 Transaction of business by foreign business trust.

- (1) A foreign business trust shall not transact business in this Commonwealth until it obtains a certificate of authority from the Secretary of State.
- (2) The following activities, among others, shall not constitute transacting business within the meaning of subsection (1) of this section:
 - (a) Maintaining, defending, or settling any action, suit, or proceeding;
 - (b) Holding meetings of its members or managers or carrying on other activities concerning its internal affairs;
 - (c) Maintaining bank accounts;
 - (d) Maintaining offices or agencies for the transfer, exchange, and registration of the business trust's securities, or maintaining trustees or depositories with respect to those securities;
 - (e) Selling through independent contractors;
 - (f) Soliciting or obtaining orders, whether by mail, through employees or agents, or otherwise, if the orders require acceptance outside this Commonwealth before they become contracts;
 - (g) Creating or acquiring indebtedness, mortgages, and security interests in real or personal property;
 - (h) Securing or collecting debts or enforcing mortgages and security interests in property securing the debts;
 - (i) Owning, without more, real or personal property;
 - (j) Conducting an isolated transaction that is completed within thirty (30) days and that is not one (1) in the course of repeated transactions of a like nature; or
 - (k) Transacting business in interstate commerce.
- (3) The list of activities in subsection (2) of this section shall not be considered exhaustive. This section shall not apply in determining the contracts or activities that may subject a foreign business trust to service of process or taxation in this Commonwealth or to regulation under any other law of this Commonwealth.
- (4) The term "transacting business" as used in this section shall have no effect on personal jurisdiction under KRS 454.210.

Effective: June 26, 2007

History: Created 2007 Ky. Acts ch. 137, sec. 27, effective June 26, 2007.